

KNOCHES F. D. S.

2 July 1965

MEMO FOR: DDCI

I have studied the IG report on NPIC and the DDI White Paper on the subject, as you requested. My views and recommendations are attached.

I believe the IG report is an excellent one and provides the tools -- with its recommendations -- for coming to grips with the exploding workload at NPIC. As a matter of fact, I find the IG report so good and so thorough that I strongly recommend your reading it in its entirety. The IG has prepared a ten-page summary of his major findings and recommendations which will give you a good feel for the dimensions of the report, but my primary reason in urging that you read the basic report in its entirety is that I am convinced that special measures in meeting the recommendations are required to get this problem under control.

Most of the actions I recommend to you are based upon the IG report.

The recommendations I make deal largely with inhouse matters relating to NPIC. NPIC itself, of course, is a national asset and is jointly responsive to CIA and DOD. This means that major decisions and changes affecting NPIC will require that you and the DCI keep the lines of communication open with people like Carroll, Vance, and McNamara.

I do not recommend that you spend much time with the DDI White Paper. The statements made in the White Paper are largely covered in issues described in the IG report, but the covering DDI memo on the White Paper is largely a confession of an inability to suggest ways of proceeding other than to honor demands.

There is a rather substantial package for you to chew on. The package includes the IG's report; the IG's summary of the report; a supplementary EYES ONLY memo to you from the IG describing various issues surrounding the NPIC problem, including NPIC's subordinate position to the DDI, the possible need for revision of NSCID #8, which created NPIC, and the unresolved problem of the role of NPIC in time of war. Also included is the DDI White Paper.

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